



International Trade Administration Commission of South Africa

---

**TERMS OF REFERENCE FOR THE DEVELOPMENT, IMPLEMENTATION, MAINTAINANCE,  
HOSTING AND SUPPORT OF AN ENTERPRISE SOFTWARE SOLUTION FOR A METAL  
TRADE LICENSING SYSTEM FOR ITAC**

---

**RFP NO: ITAC 01-2023/2024**

**TABLE OF CONTENTS**

**1. PURPOSE ..... 3**

**2. BACKGROUND ..... 3**

2.1 ESTABLISHMENT OF THE INTERNATIONAL TRADE ADMINISTRATION COMMISSION (ITAC) ..... 3

2.2 ITAC’S KEY STRATEGIC OBJECTIVES ..... 3

2.3 FUNCTIONAL AREAS OF ITAC ..... 4

**3. PROJECT OBJECTIVE ..... 5**

**5. PROJECT REQUIREMENTS AND DELIVERABLES ..... 8**

5.1 PROJECT REQUIREMENTS ..... 8

5.2 PROJECT DELIVERABLES ..... 9

**6. EXPERTISE REQUIRED ..... 9**

**7. TIME FRAMES AND DURATION OF APPOINTMENT ..... 10**

**8. SPECIAL PROVISIONS OF CONTRACT ..... 10**

**9. GENERAL CONDITIONS OF CONTRACT ..... 10**

**10. BIDDING DOCUMENTS TO BE COMPLETED, SIGNED AND SUBMITTED ..... 11**

**11. LEGISLATIVE FRAMEWORK OF THE BID ..... 11**

**12. PAYMENT OF INVOICES ..... 12**

**13. CONTRACT DOCUMENTS ..... 13**

**14. EVALUATION OF BIDS RECEIVED ..... 13**

**14.5.1.1. STAGE 3 (80 + 20 = 100 POINTS) ..... 21**

**15. CLOSING DATE AND TIME ..... 21**

**16. NON-COMPULSORY BRIEFING SESSION ..... 21**

**17. BIDS SUBMISSION / RESPONSES ..... 22**

**18. ENQUIRIES ..... 23**

**ANNEXURE A – 1: GENERAL CONDITIONS OF CONTRACT ..... 23**

**ANNEXURE A – 2: STANDARD BIDDING DOCUMENTS ..... 23**

**ANNEXURE B MINIMUM VIABLE PRODUCT (MVP) ..... 23**

**ANNEXURE C FUNCTIONAL CRITERIA ..... 23**

**ANNEXURE D REGULATORY, PRIVACY & CYBER SECURITY CONSIDERATIONS ..... 23**

## **1. Purpose**

The purpose of this Request for Proposal (RFP) is to solicit proposal from suitably qualified and experienced service providers to host, develop, implement, maintain and support a metal trade licensing system for ITAC **for a period of 5 years.**

This RFP does not constitute an offer to do business with ITAC, but merely serves as an invitation to bidder(s) to facilitate a requirements-based decision process.

## **2. Background**

### **2.1 Establishment of the International Trade Administration Commission (ITAC)**

ITAC is a creature of statute established in terms of section 7 of the ITA Act. The objective of ITAC, as stated in the Act, is to foster economic growth and development in order to raise incomes and promote investment and employment in South Africa and within the Common Customs Area<sup>1</sup> by establishing an efficient and effective system for the administration of international trade, subject to the ITA Act and the SACU Agreement<sup>2</sup>. The core functions of ITAC are to conduct customs duty investigations, trade remedy investigations and import and export control. ITAC provides technical advice and support to the Department of Trade, Industry and Competition (dtic).

### **2.2 ITAC's Key Strategic Objectives**

To achieve its aims, ITAC has identified the following three key strategic objectives to guide its operations, namely, to;

---

<sup>1</sup> The combined areas of the Member States of SACU, namely, South Africa, Botswana, Eswatini, Lesotho and Namibia.

<sup>2</sup> The Southern Customs Union Agreement of 2002.

- 2.2.1 Ensure appropriate contribution to economic growth and development through provision of its international trade instruments;
- 2.2.2 Ensure strategic alignment and continued relevance within the dtic and national agenda; and
- 2.2.3 Ensure organisational efficiency and effectiveness through business support services.

## **2.3 Functional Areas of ITAC**

There are two main functional areas for ITAC with supporting business units reporting there under, namely:

### **2.3.1 Core business**

- Tariff Investigations.
- Trade Remedies.
- Import and Export Control.

### **2.3.2 Business Support Services**

- Human Resources.
- Financial Management.
- Communication Services.
- Information Technology.
- Internal Audit services.
- Legal Services.
- Policy and Research
- Secretariat
- Risk Management

### 2.3.3 The Commission of ITAC

As compared to the other public entities in South Africa, ITAC has no Board of Directors but a Commission. The membership of the Commission is comprised as follows:

- Full time Chief Commissioner (CEO of ITAC).
- Full time Deputy Chief Commissioner.
- Part-time Commissioners (up to 10).

### 3. Project objective

In February 2022, President Ramaphosa committed in the State of the Nation Address that Government would take action to address damage to public infrastructure through theft of metals from national infrastructure and the subsequent export of the metal or the disguise of its origin in order to sell the metal to legitimate metal processors in South Africa.

The theft of metals is damaging South Africa's economy through additional cost of repairing and replacing damaged infrastructure. Government has published draft proposals to address the theft of copper cable and other forms of metal from public infrastructure that has crippled power supplies and left trains unable to operate.

The proposals have been developed following consultations by the Department of Trade, Industry and Competition, (*the dtic*), Police, National Treasury, Mineral Resources and Energy, Public Enterprises and Transport and was published in the Government Gazette by Minister Ebrahim Patel.

The draft measures propose, amongst others:

- A six-month export prohibition on scrap and waste metal, including copper cable, together with a permit system for export of specified semi-processed metal products;
- Introduction of additional reporting requirements including an input-output reporting system to track the purchase and sale of metal scrap and semi-finished products;
- Introduction of an enhanced registration regime which will apply to both scrap metal sellers and buyers to ensure that these enterprises comply fully with all legislative requirements; and
- Additional restrictions on who can sell copper scrap and semi-finished copper.

The purpose of this document is to detail the requirements for the licensing system to assist with the implementation of the measures mentioned above.

To enable ITAC to achieve reporting requirements on the above proposed measures, the services of a suitably qualified and experienced service provider to provide a metal trade licensing system for ITAC is required.

#### **4. Business Drivers**

The business drivers that are key activities driving the operational need for the Metal Trade License (MTL) system are:

- Widespread theft of copper cable and other forms of metal from public infrastructure;
- Crippled power supplies, and damaged public facilities;
- Export of stolen scrap and semi-finished products;
- Costs of repairs and replacing damaged infrastructure;
- Inconvenience to workers and commuters from rail disruptions;
- Financial cost of electricity disruptions to businesses of all sizes; and
- Safety risk to our communities and children when live electricity cables are left exposed.

The changes to the regulations due to the business drivers listed above has necessitated certain remediating measures that need to be put in place. These measures can be supported by the implementation of a Metal Licensing system. The implementation of this system also provides opportunities that will benefit the judgement and regulatory system. The remediating requirements of the system are listed below:

- Regulate the purchase and sale of scrap and semi-finished copper products.
- Regulate scrap metal dealers within SA.
- Disable the issuance of licenses and permits during periods of prohibition and similar legislative sanction.
- Disable payments for application during periods of prohibition and similar legislative sanction.
- Intelligently assess compliance with license pre-conditions.
- Gain intelligent market insights and trends (e.g., trade volumes).
- Ensure compliance with regulations.
- Log transactions and verify trader has permit to buy/sell.
- Controls at the transaction level that checks the buyer and seller.
- A way to digitally enforce a permit system.
- Verify if someone has the correct permits.
- Buyer/seller to have access to Mobile solution to capture transaction details, store ID documents, etc.
- Ability to enforce the Legislatives / regulations.
- Reporting via intelligent AI to monitor trade buy/sell (details TBC e.g., filters).
- Integrate with SAPS, SARS, ITAC and other areas to monitor the scrap metal industry (i.e., copper trade).
- Enable the submission, tracking and response to queries.

## **5. Project Requirements and Deliverables**

The successful bidder will work closely with the Chief Information Officer and IT Manager in the execution of this project. **Please note that this document must be read in its entirety (including all annexures (A, B, C and D)).**

### **5.1 Project Requirements**

**It will be required of bidders to:**

- 5.1.1. Prepare and submit a project plan.
- 5.1.2. Prepare and submit a project methodology, which contains a relief/replacement plan.
- 5.1.3. Submit valid SARS pin.
- 5.1.4. Prepare and submit a company profile indicating over three (3) past and present clients.
- 5.1.5. Prepare and submit a detailed project cost proposal.
- 5.1.6. Enter into a Service Level Agreement (SLA) with ITAC.
- 5.1.7. Possess over 10 years' experience in the provision and management of related services.
- 5.1.8. Be amenable to unplanned changes that could be requested by ITAC.
- 5.1.9. Submit one (1) original bid document plus 5 bound copies of bid documents.
- 5.1.10. Submit a project bid valid for 120 days from the project submission closing date.



## 5.2 Project Deliverables

The following will constitute deliverables for this project:

- 5.2.1. The development, implementation, maintenance, hosting and support of a Metal Trade Licensing (MTL) system.
- 5.2.2. The system must have advanced reporting and business intelligence capabilities.
- 5.2.3. The software must be “cloud-enabled” and must have the ability to be deployed on a “cloud” platform. All data should reside within the geographical boundaries of South Africa.
- 5.2.4. The workflow configuration and automation must be in line with ITAC’s business processes.
- 5.2.5. All transactions submitted online.
- 5.2.6. Training and support for super users and the ITAC users will be critical at the implementation stages – therefore a detailed training plan and training method must be provided as part of the proposed project plan.
- 5.2.7. An integrated document management system with search and indexing capabilities.
- 5.2.8. Please note the User Requirements as attached in Annexure C. Annexure C contains the detailed requirements for the system.
- 5.2.9. Please also note the additional considerations in Annexure D.

**NB: ITAC RESERVES THE RIGHT TO AMEND THE PROJECT DELIVERABLES WITHIN REASONABLE LIMITS AND CARE.**

## 6. Expertise Required

During the evaluation of this project, the evaluation processes of ITAC will, *inter alia* consider the experience and credentials of the personnel proposed by the service providers on this project. Bids shall be strictly evaluated according to the bid evaluation criteria stipulated under Stage 2 (Functionality).

**Please note that bidders must attach certified copies (not older than 3 months) of all required qualifications, relevant certificates, and copies of comprehensive and updated curricula vitae for the key personnel who will be utilised for this project.**

## **7. Time Frames and Duration of Appointment**

The envisaged duration to complete the project will be a maximum **of 12 months with the Minimum Viable Product (MVP) implemented within six (6) months.**

## **8. Special Provisions of Contract**

- 8.1. The proposed total cost of the project must be clearly indicated.
- 8.2. The project and implementation plan must be included.
- 8.3. ITAC reserves the right to accept in whole or in part the proposal or to reject the proposal.
- 8.4. An overview of the project methodology used by the firm must be provided.
- 8.5. Bidders must be registered with the National Treasury Central Database.
- 8.6. The potential bidder must be tax compliant on the National Treasury Central Supplier Database.
- 8.7. Bidders must note that verification of the National Treasury Database of Restricted Suppliers and Register of Tender Defaulters will be conducted to ensure that ITAC does not enter into any contractual agreements with the restricted service providers.

## **9. General Conditions of Contract**

Bidders are required to take note of the contents of the **General Conditions of Contract**, as contained under **Administrative Annexure A-1**, which shall form an integral part of the Contract Agreement between ITAC and the successful bidder.

## **10. Bidding Documents to be Completed, Signed and Submitted**

All the information contained herein, specifically that under **paragraph 9,10 and 11**; as well as all the **Annexures**, must be taken into account and used as a basis for the formulation of proposal and preparation of cost estimates.

**All the required information under Administrative Annexure A-2, and all the annexures thereto, must be duly and comprehensively completed and submitted, with specific reference to:**

- 10.1. Invitation to bid (SBD 1);
- 10.2. Declaration of Interest (SBD 4);
- 10.3. Preference Points Claim Form (SBD 6.1);
- 10.4. Pricing Schedule (SBD 3.3) and
- 10.5. Service Level Agreement (SLA) to be signed on appointment with the preferred service provider (Bidder);

## **11. LEGISLATIVE FRAMEWORK OF THE BID**

### **11.1. Tax Legislation**

- 11.1.1. Bidder(s) must be tax compliant when submitting a proposal to International Trade Administration Commission of SA and remain compliant for the entire contract term with all applicable tax legislation, including but not limited to the Income Tax Act, 1962 (Act No. 58 of 1962) and Value Added Tax Act, 1991 (Act No. 89 of 1991).
- 11.1.2. It is a condition of this bid that the tax matters of the successful bidder be in order, or that satisfactory arrangements have been made with South African Revenue Service (SARS) to meet the bidder's tax obligations.
- 11.1.3. The Tax Compliance status requirements are also applicable to foreign bidders / individuals who wish to submit bids.

- 11.1.4. It is a requirement that bidders grant a written confirmation when submitting this bid that SARS may on an ongoing basis during the tenure of the contract disclose the bidder's tax compliance status and by submitting this bid such confirmation is deemed to have been granted.
- 11.1.5. Bidders are required to be registered on the Central Supplier Database and the National Treasury shall verify the bidder's tax compliance status through the Central Supplier Database.
- 11.1.6. Where Consortia / Joint Ventures / Sub-contractors are involved, each party must be registered on the Central Supplier Database and their tax compliance status will be verified through the Central Supplier Database.

## **11.2. Procurement Legislation**

The International Trade Administration Commission of South Africa has a detailed evaluation methodology premised on Treasury Regulation 16A3 promulgated under Section 76 of the Public Finance Management Act, 1999 (Act, No. 1 of 1999), the Preferential Procurement Policy Framework Act 2000 (Act, No.5 of 2000) and the Broad-Based Black Economic Empowerment Act, 2003 (Act, No. 53 of 2003).

## **11.3. Technical Legislation and/or Standards**

Bidder(s) should be cognizant of the legislation and/or standards specifically applicable to the services.

## **12. Payment of Invoices**

- 12.1. All claims for payment shall be submitted to ITAC on a monthly basis, valid invoices will be paid within 30 days upon receipt.

**13. Contract Documents**

- 13.1. This Invitation to Bid and all its Technical and Administrative Annexures, together with the accepted Bidding Documents, duly completed and submitted by the successful bidder, shall form part of the Contract Documentation, according to which this Project shall be undertaken, managed and completed.
- 13.2. The contract shall enter into force on receipt of the letter of appointment from ITAC by the successful bidder and the signing of form SBD 7.2/SLA as contained under Administrative Annexure A-2.

**14. Evaluation of Bids Received**

The International Trade Administration Commission of South Africa has set minimum standards (stages) that a bidder needs to meet in order to be evaluated and selected as a successful bidder. The minimum standards consist of the following:

<b>Initial screening process (Stage 1)</b>	<b>Technical Evaluation Criteria (Stage 2)</b>	<b>Price and Specific goals Evaluation (Stage 3)</b>
Bidders must complete, sign and submit all Standard Bidding Documents (SBD), as outlined in paragraph 10. Bidders must also be Tax Compliant as per requirements of paragraph 11. <b>NB: Bidders will be</b>	Bids will be evaluated as per the evaluation criteria for functionality. Bidder(s) will be required to achieve a minimum of 70 points out of 100 points to proceed to Stage 3.	The 80/20 preference point system will be used to evaluate bids in Stage 3. Bidder(s) will be evaluated out of 100 points and Stage 3 will only apply to bidder(s) who have met and exceeded the threshold

<p><b>disqualified if SBD 4 – form is not submitted, not fully completed and signed. Bidders will also be disqualified if they are not Tax Compliant.</b></p>		<p>of 70 points.</p>
---	--	----------------------

- 14.1. ITAC reserves the right not to accept the lowest bid, as the elements listed in the evaluation matrix will play a major role, when evaluating bids. Additionally, ITAC is not bound to select any of the bidders or individuals submitting a bid.
- 14.2. Prospective bidders are required to complete and sign the SBD forms in order to qualify for preference points as eluded under the evaluation criteria (Annexure A-2).
- 14.3. Prospective bids will be evaluated in accordance with the 80/20 preference point system, as contemplated in the Preferential Procurement Policy Framework Act (Act 5 of 2000, as amended). Bidders who obtain 70 out of 100 points in stage 2 (functionality) will qualify for stage 3 (price and specific goals) evaluation wherein 80/20 preference points system will be used as follows: 80 points for price and 20 points for specific goals.
- 14.4. In respect to the evaluation matrix, prospective bidders will be rated from 1 to 5: in that: 1 = Serious Reservations, 2 = Minor Reservations, 3 = Acceptance, 4 = Good, 5 = Excellent. (See Stage 2 - Criteria for functionality below). Bidders scoring less than 70 out of 100 in respect of functionality (stage 2) will be regarded as unqualified and will not be evaluated further for stage 3.
- 14.5. To ensure meaningful participation and effective comparison, bidders are requested to furnish detailed information to substantiate compliance with the evaluation criteria.

**Stage 2 (Criteria for functionality)**

Evaluation Criteria	Weight	Scoring
<p><b>Methodology and Project Approach</b></p> <p><b>The technical proposal must at least address the following:</b></p> <p>Demonstrated software development capability that must include at a minimum the following:                      A clear deployment/roll-out plan.                      Risk mitigation plan                      Training plan.                      The technology that will be employed.                      IT security measures                      The application development frameworks and methodologies.</p> <p>Software testing plan with the inclusion of a prototype within the set timeframes.</p>	<p>50</p>	<p>20</p> <p>15</p>

<p>Cloud hosting capability.</p> <p>Phased, modular implementation of requirements and features.</p>		<p>5</p> <p>10</p>
<p><b>Relevant Experience in completing complex projects</b></p> <p>The bidder must have provided similar ICT software solutions to past and present clients. Bidders must include reference letters from clients that they have successfully provided a software development and hosting solutions in the last 10 years. The reference letters must be on company letterheads and must include the type of project, with contact details for ease of reference.</p> <p>The bidder must have over 10 years' experience in delivering similar projects.</p>	<p>5</p> <p>10</p>	<p>5 = &gt; 4 letters</p> <p>4 = 4 letters</p> <p>3 = 3 letters</p> <p>2 = 2 letters</p> <p>1 = 1 letter</p> <p>5 = &gt; 12 years' relevant experience</p> <p>4 = 11-12 years' relevant experience</p>



		<p>3 = 10 years' relevant experience</p> <p>2 = 7-8 years' relevant experience</p> <p>1 = &lt; 7 years' relevant experience</p>
<p><b>Experience of the Technical Team mention below (certified copies (not older than 3 months) of all required qualifications, relevant certificates, and comprehensive and updated curricula vitae is required)</b></p> <p><b>Project leader</b> Detailed curriculum vitae with over 10 years' combined expertise on similar projects.</p>	<p>15</p>	<p>5 = &gt;10 combined experience in related area</p> <p>4 = 10 years combined experience in related area</p> <p>3 = 8 years combined experience in related area</p> <p>2 = 5 years combined experience in related area</p> <p>1 = &lt;5 years combined experience in related area</p>

<p><b>Lead developer</b> Detailed curriculum vitae with a total of over 10 years' expertise on similar projects</p>	<p>10</p>	<p>5 = &gt;10 combined experience in related area 4 = 10 years combined experience in related area 3 = 8 years combined experience in related area 2 = 5 years combined experience in related area 1 = &lt;5 years combined experience in related area</p>
<p><b>Cloud and hosting expert</b> Detailed curriculum vitae with a total of over 5 years' expertise on similar projects</p>	<p>10</p>	<p>5 = &gt;5 combined experience in related area 4 = 5 years combined experience in related area 3 = 4 years combined experience in related area 2 = 3 years combined experience in related area 1 = &lt;3 years combined experience in related area</p>

**NB: Bidders who obtain 70 out of 100 points in Stage 2 (functionality) will qualify for the Stage 3 (Price and specific goals) evaluation wherein 80/20 preference points system will be used as follows: 80 points for price and 20 points for specific goals.**

**Stage 3 (Criteria for Price and specific goals)**

<b>Criteria</b>	<b>Points</b>
Comparative Bid Price	80
Specific goals (CSD report will be used as a means of verification)	20
<b>TOTAL</b>	<b>100</b>

$$Ps = 80 \left( 1 - \frac{Pt - P \text{ min}}{P \text{ min}} \right)$$

The following formula will be used to calculate the points for price:

Where

Ps = Points scored for comparative price of bid under consideration

Pt = Comparative price of bid under consideration

Pmin = Comparative price of lowest acceptable bid

**a. Specific goals (points) allocation**

A maximum of 20 points may be allocated to a bidder for attaining their specific goals in accordance with the table below:

The specific goals allocated points in terms of this tender	Number of points allocated (80/20 system) (To be completed by the organ of state)	Number of points claimed (80/20 system) (To be completed by the bidder)
100% Black Owned	6	
51% - 99% Black	4	

Owned		
100% Black Women Owned	6	
51% - 99% Black Women Owned	4	
5% Youth Owned	2	
2% Owned by Persons with Disabilities	1	
Business in township, rural or under-developed area	2	
Exempt Micro Enterprise (EME)	3	
Qualifying Small Enterprise (QSE)	2	

Specific goals points may be allocated to bidders on submission of the following documentation or evidence:

- A duly completed Preference Point Claim Form: Standard Bidding Document (SBD 6.1); and
- B-BBEE Certificate or Sworn Affidavit (original or certified copy).

**b. Joint Ventures, Consortiums and Trusts**

A trust, consortium or joint venture, will qualify for points for their specific goals as a legal entity, provided that the entity submits their B-BBEE status level certificate or Sworn Affidavit.

A trust, consortium or joint venture will qualify for points for their specific goals points as an unincorporated entity, provided that the entity submits their consolidated B-

BBEE scorecard as if they were a group structure and that such a consolidated B-BBEE scorecard is prepared for every separate bid.

Bidders must submit concrete proof of the existence of joint ventures and/or consortium arrangements. **International Trade Administration Commission of South Africa** will accept signed agreements as acceptable proof of the existence of a joint venture and/or consortium arrangement.

The joint venture and/or consortium agreements must clearly set out the roles and responsibilities of the Lead Partner and the joint venture and/or consortium party. The agreement must also clearly identify the Lead Partner, who shall be given the power of attorney to bind the other party/parties in respect of matters pertaining to the joint venture and/or consortium arrangement.

**14.5.1.1. Stage 3 (80 + 20 = 100 points)**

The price and specific points will be consolidated.

ITAC will use the information in the duly completed Bidding Documents submitted as well as the required supportive documentation to evaluate each bid against the criteria provided in page 11.

**15. Closing Date and time**

- The closing date and time for the submissions of the bids is the **9th June 2023 at 11:00 AM** .
- Bids received after the closing date and time, at the address indicated in the bid documents, will **not** be accepted for consideration and where practicable, be returned unopened to the Bidder(s).

**16. Non-compulsory briefing session**

**There will be a non-compulsory briefing session.**

**Date: Tuesday 30 May 2023**

**Time: 10h00**

**Venue: First floor, Block E, DTIC Campus, 77 Meintjies Street, Sunnyside, Pretoria**

**17. Bids Submission / Responses**

**NB: Bidders will be required to use the two envelope system, whereby the technical and functionality proposal (stage 2) and pricing and specific goals (stage 3) are placed in two separate envelopes and clearly marked.**

**FUNCTIONALITY PROPOSAL – Bidders must submit one (1) original and five (5) hard copies of the bid proposal. The original file / envelop must be packaged as follows and clearly marked as “Original”**

	<b>Part 1a – Standard Bidding Documents and Administrative Compliance</b>
1	SBD 1 – Fully completed and signed
2	SBD 4 – Fully completed and signed Bidder’s Disclosure
3	SBD 6.1 – Completed and signed Preference Points Claim Form
4	General Conditions of Contract - signed
6	Bidder’s technical proposal
7	Certified copy (s) of academic or tertiary qualifications
8	Other supporting documents

**NB: Bidders will be disqualified if SBD 4 – form is not submitted, not fully completed and signed. Bidders will also be disqualified if they are not Tax Compliant.**

**FINANCIAL / PRICE PROPOSAL**

**NB: The bidder must submit one (1) original financial / price proposal and five (5) hard copies and the envelop must be submitted separately from the technical proposal:**

**The bidder must provide the SBD 3.3 / financial proposal and it must be completed and signed.**

**18. Enquiries**

**Supply Chain Management**

Name: Ms. PS Mkhungo

Email: [pmkhungo@itac.org.za](mailto:pmkhungo@itac.org.za)

**Technical/ Project related**

Name: Mr Russel Nelson

Email: [rnelson@itac.org.za](mailto:rnelson@itac.org.za)

**ANNEXURE A – 1: GENERAL CONDITIONS OF CONTRACT**

**ANNEXURE A – 2: STANDARD BIDDING DOCUMENTS**

**ANNEXURE B MINIMUM VIABLE PRODUCT (MVP)**

**ANNEXURE C FUNCTIONAL CRITERIA**

**ANNEXURE D REGULATORY, PRIVACY & CYBER SECURITY  
CONSIDERATIONS**

## **ANNEXURE B – Minimum Viable Product (MVP)**

The envisaged system requires has a large number of requirements to fulfil. At a minimum, the minimum viable product (MVP) should contain the following:

### **A. Onboarding of all users**

Onboarding in this context if the registration of all users onto the system with the assigned users' rights.

### **B. Application for Registration of all dealers**

All dealers (buyers and sellers) must apply for registration onto this system.

### **C. The transaction module**

All transactions must be captured onto the system.

### **D. Limited reporting capabilities**

The system must have reporting capabilities for further analysis.



## **ANNEXURE C - FUNCTIONAL CRITERIA**

### **A. Systems capabilities**

- a.1. Enable customers to submit all transactions online via a web portal
- a.2. Users able to track, review and manage submitted applications, track activities (e.g. decision making committee outcomes), see application statuses and respond to queries online.
- a.4. User management for:
  - a. Unlimited user creation and access control
  - b. Profile management
  - c. User grouping management
  - d. Categorisation
  - e. Access Control List (ACL) functionalities.
- a.5. Advanced reporting and business intelligence capabilities
- a.6. "Cloud-enabled"

### **B. General requirements**

- b.1. Web client – system must be accessed through a web client
- b.2. IT Security standards – system must conform to the latest IT security standards and POPIA compliance

### **C. User management**

- c.1. Secure user account creation
- c.2. User access categorisation
- c.3. User profiles creation according to job function
- c.4. Administrator access to control user account creation and access

## **D. Document management**

- d.1. An integrated document management system that allows for the upload of all application and supporting documentation
- d.2. Secure document workflow according to user profile

## **E. Online application registration and application portal**

- e.1. Create a portal for customer registration and applications
- e.2. Smart application capabilities to guide users

## **F. Application management**

- f.1. Applicants must track and manage (review and update) applications

## **G. Systems integration**

- g.1. Platform must be integrated with the relevant stakeholders mentioned in the Annexure
- g.2. Transactions and other generated documents available electronically
- g.3. Integration with other systems to get transaction data.

## **H. IT Security**

- h.1. Integrated anti-virus and anti-malware scanning
- h.2. User access control

## **I. Reporting**

- i.1. Dashboard for users according to access levels
- i.2. Dashboard for individual users based on user access
- i.3. Advanced reporting and business intelligence functionality
- i.4. Customised reports in various formats

i.5. Advanced search functionality

## **J. Supplier services**

The following services are required by the appointed service provider:

- j.1. Business analysis services
- j.2. Project Management services
- j.3. Consulting services
- j.4. Training services
- j.5. Licensing services

## **K. System ownership and Intellectual property**

- k.1. All ownership and intellectual property resides with ITAC.
- k.2. The appointed service provider is prohibited from owing any part of the system.

## **ANNEXURE D - Regulatory, Privacy & Cyber Security Considerations**

### **A. Cyber Security**

#### **1. Integrated Governance**

- Information is a corporate asset which has been entrusted to the organisation and must be managed and protected.
- Information governance is a corporate responsibility as it has an impact on business, technology and applications.
- 

#### **2. Accessible**

#### **Information**

All operational web applications should provide access to the data in near real-time with low latency.

#### **3. Capability**

#### **Exposure**

Applications will interact with data, technology and other applications. Exposing capabilities as services based on well-defined intent, standards and open interfaces will drive connected business value.

The MTL shall allow for user-customisation in areas including but not limited to the following:

- Selective displays and access to menus based on user ID;
- Data validation rules;
- Data displays (i.e., data formats, money signs, decimal point, etc.);
- Screen customisation;
- Online help.

#### **4. Installation, configuration, and monitoring of applications**

- Monitoring of applications including databases and application servers

- Graphical MTL topology view
- Discovery of existing application installations.
- Ability to enforce compliance policies ensuring consistent versioning and configuration
- Ability to update and patch
- Multiple notification channels to alert MTL administrators when configurable operating thresholds are passed
- Solution should provide a tool to generate alarms and notifications, when thresholds for metrics such as application process up/down status, CPU and memory usage by a process, and transaction latency are reached.

## **5. Incident Requests and Problem Management**

The solution provider must have an incident management process that can be integrated to ITAC's processes to report timely information about technical vulnerabilities of information being used, evaluate vulnerabilities, and take appropriate measures to address the associated risk.

## **6. Vulnerability and Threat Management**

The solution provider must make available to ITAC a process that will ensure that ensures frequent updates and patches and ensure that scans are executed.

Patches for solution components shall be tested and certified by the vendor before deployment to production.

The solution should have an established process that ensures that malware protection software to be installed on systems that are exposed to malware are available. Such malware protection software is subject to ITAC approval.

## 7. Software Development Lifecycle (SDLC)

The solution must make use of OWASP security principles to all software, web or application development (<https://www.owasp.org>), or another recognized secure development methodology.

Ensure the solution disables auto complete features on forms expected to contain sensitive information, including authentication.

All operating system and application customisations and deviations must be documented and approved.

Separate development and test environments should be established and isolated from live environments and from each other (e.g., by hosting development and test systems on a separate, standalone network or segregating the network using a virtual local area network (VLAN) and a firewall).

Application source code (or equivalent) of the solution used in development environments should be protected from unauthorised access and modification.

Every system that contains or accesses production real data should be protected to the same standard as production system.

MTL design phase should involve the use of security architecture principles, including 'security by design' / 'defence in depth', i.e., within the solution there should be a database segment, an application segment, and a presentation, all these separated by a firewall. This ensures a breach in one segment doesn't automatically mean a breach to the whole solution.

MTL design phase of the solution should involve the use of security architecture principles, including 'least privilege', 'default deny' and 'fail secure'.

Complete MTL testing of the solution should be performed independently of MTL development, to at least cover:

- end-to-end testing or compatibility testing that will identify any conflicts or dependencies with other web applications
- MTL use under normal and special business conditions and (e.g., financial year end or national holidays) any exceptional conditions (e.g., natural disasters, industrial action and denial of service attacks)

- ensure that business information (e.g., customer data, medical records, prices or manufacturing details) used for testing purposes is protected
- Ensure correct handling of errors and exceptions.

Post-implementation reviews of the solution (including coverage of information security) must be conducted for all new web applications to provide assurance that information security was considered and addressed throughout each stage of the system development lifecycle (SDLC) and built-in security controls are working as expected.

The solution shall ensure that changes of code or configuration movement between environments (e.g., Developments to QA, or QA to production, and vice versa) are restricted and controlled in compliance with **ITAC** change management process.

## **B. Regulatory**

The regulatory and legal requirements for this solution are predominantly prescribed by existing legislation. Specific reference and compliance with the Second Hand Goods Act (“SHGA”) and its regulations are a critical component of success for the solution.

It is anticipated that new legislation or sources of obligations other than regulation may have bearing on current requirements or impose new requirements such as Ministerial Stop orders or similar. Pervasive regulatory themes that must be catered for as part of the solution include:

### **1. Legal Capacity**

The ability to accurately identify and verify the authorisation and capacity of authorised and designated users. This is particularly the case in respect of:

Authorised representatives of juristic entities

Authorised personnel within the SAPS

Authorised personnel within the DTIC

Authorised personnel within the SARS

### **2. Electronic fulfilment**

Legal Requirements currently catered for in manual and paper-based formats must be accurately translated into electronic formats to ensure that the security, compliance and anti-fraud intentions desired are met and maintained.

This theme has specific relevance as it necessitates the creation of:

Electronic certificates

Electronic forms

Electronic signature

Electronic decisioning flows and resulting outcomes

Electronic compliance and other reporting



It is not expected that this solution will enable automated or electronic forms of compliance monitoring at a dealer level, however, with easy access to relevant information sets it is expected that smarter and more information driven inspections and enforcement and to an extent prevention will be realised.

### **3. Audit trails, enabling transparency and ease of accountability**

The existence of activity post-login enables a wide spectrum of audit, transparency and accountability mechanisms. For each user type and user activity, specific bounds are set by role functions, role authorisation/s and limitations. In a real the context of a manual process the absence of this level of transparency has amounted to a control gap and entry point for corrupt and/or ultra-vires activity. The benefits of activity traceability will be reaped in respect of:

Records of dealers (buyers and sellers) activity enabling the identification and reconciliation of authorised transactions. - By default, transactions not appearing in these records can immediately be investigated on suspicions of illegality

Electronic forms of certificates and permits and validity data being available – On demand verification mechanisms of all trading entities and authorisation for trade in respect of the specific category of goods will significantly empower the enforcement capacity of SAPS personnel. Additionally, reliance will not be had or will be reduced on manual or paper based forms of evidence. The validity of electronic certificates, permits and their status will serve as more ready forms of evidence.

Approval tracking and related information – the ability to provide supporting evidence and commentary to any decisions taken in respect of applications or reviews will be readily available amongst a competent network of reviewers including stakeholders from the SAPS and *the dtic*.

#### **4. Enabling Pro-active compliance**

Using intelligent technologies, compliance is built into the MTL. Users will be prompted to meet and evidence adherence to the compliance requirements and denied the ability to proceed where non-compliance may arise:

Intelligence in the form of license pre-conditions being stated upfront and required to be evidenced is one such example

SAPS DSHGO not being about to complete an application adjudication in the absence of evidence related to a compulsory inspection being provided.

#### **5. Enabling eco-system standardisation and swift turn around**

Through the creation of an electronically controlled eco-system of users and capabilities, it is envisaged that changes and improvements alike can be given effect to at scale with much ease. An anticipated example is that a directive recently issued by the Minister of Trade, Industry and Competition could be more easily affected and done so in real-time or with a significant level of immediacy. Soon any such changes (disablements and enablement's) can be supported through technology and therefore applied in near-real time.

### **C. PRIVACY**

The following Privacy requirements also needs to be considered:

- All applications and supporting infrastructure that are involved with the collection, storage, and/or processing of Data subject personal information are monitored for unauthorised use or access to personal information.
- The MTL is configured to display accurate and complete profile data of the user when logging in with the correct username and password. The solution must be able to authenticate the user, to ensure, no unauthorised access of a user's account. Information provided should be validated automatically. MTL to generate prompt to supply correct information where required

- The MTL can process personal information only for the purpose it was collected for.
- The MTL is configured to only allow the employees to access data that they are allowed to see and within their job role and responsibility. Any changes to employee access are approved by appropriate Data subjects. Segregation of duties are in place to prevent employees to either display or amend data not within their role or job or position.
- The MTL must ensure personal information is encrypted both at rest and in transit, the MTL must follow guidelines for the secure sharing/transfer of personal information (e.g., SFTP, secure e-mail).
- The MTL can restrict the location of processing, storage and service locations to comply with the privacy notice, as well as applicable statutory, regulatory and contractual obligations.
- Personal information of Data subjects that do not enter into agreements with DTIA must be destroyed after the maximum statutory period has expired.
- The MTL processes personal information only processed if the processing is necessary for compliance with a legal obligation to which **the dtic** is subject or the processing is necessary for the performance of a task carried out in the public interest
- The replication of personal information data into development and test environments should be restricted
- The MTL takes reasonable steps to destroy, or arrange for the destruction of Data subject's personal information once it is no longer to be retained, personal information is deemed destroyed if it cannot be reconstructed into an intelligible form
- The MTL integrates all updates and/or deletions of Data subject personal information to all relevant data stores, including third party data stores in a timely manner
- Data subjects' identity is validated prior to providing access to, amending, or deleting their personal information

- Authentication mechanisms have been established to identify a Data subject using a unique ID and password before granting that Data subject access to personal information
- All applications and supporting infrastructure that are involved with the collection, storage, and/or processing of Data subject personal information are monitored for unauthorized use or access to personal information
- Periodic vulnerability scans and penetration tests are conducted on all applications and supporting infrastructure involved with the collection, storage, or processing of personal information
- Physical Security methods (e.g., facility entry controls, visitor authentication,) are utilised at all facilities that house applications and supporting infrastructure involved with the collecting, storage, and/or processing of personal information.
- Periodic access certifications are conducted on all applications and supporting infrastructure involved with the collection, storage, and/or processing of personal information
- Two-factor authentication is utilised for remote access to DTIA's network by employees, administrators, and third parties
- All MTL backup tapes that can potentially contain personal information are encrypted
- MTL users are trained on the privacy incident response plan, which is formally documented, operationalised, and evaluated and tested on at least an annual basis.
- All MTL users are aware of the privacy incident response team and are trained on the incident response plan.
- All MTL users are informed of their obligation to immediately report potential privacy incidents
- The MTL can assist in investigating the root cause of privacy incidents which are investigated and evaluated with the root cause of the breach remediated to prevent repeat occurrences

- The MTL can integrate with the privacy incident response and breach notification plan which is integrated with the information security program as well as the disaster recovery and business continuity plans